AMENDMENTS TO THE CLAIMS:

This listing of claims will replace all prior versions, and listings, of claims in the application.

Listing Of Claims:

1-4. (Cancelled)

5. (Currently Amended) ~~The~~ A method ~~of claim 4,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

assigning a value to each of the variables associated with each of the transactions;

aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the step of assigning a value to each of the variables associated with each of the transactions further comprises assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the step of aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

6. (Original) The method of claim 5, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

7. (Original) The method of claim 6, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

8. (Original) The method of claim 6, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

9. (Original) The method of claim 6, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

10. (Currently Amended) ~~The~~ A method ~~of claim 2,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

assigning a value to each of the variables associated with each of the transactions;

aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the step of assigning a value to each of the variables associated with each of the

transactions further comprises assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the step of aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

wherein the step of aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises aggregating the normalized risk factor values using the formula:

$$AR = \sum_{j=1}^{m} w_t^j \bullet R_t^j$$

where AR= the aggregate risk level, w_t^j means the weights of the "j"th variable at time "t", and R_t^j means the normalized risk factor value of the "j"th variable at time "t".

11. (Currently Amended) The method of claim ~~1~~ 5, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

12. (Currently Amended) The method of claim ~~1~~ 5, wherein the transactions are ranked relative to one another in ascending order of aggregate risk level.

13. (Currently Amended) The method of claim ~~1~~ 5, wherein the risk is operational risk.

14-17. (Cancelled)

18. (Currently Amended) ~~The~~ A method ~~of claim 17,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

assigning a value to each of the variables associated with each of the transactions;

aggregating the values assigned to each of the variables of each event of each transaction to

produce a by event aggregate risk level for each event of each transaction;

aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the step of assigning a value to each of the variables associated with each of the transactions further comprises assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the step of aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

19. (Original) The method of claim 18, wherein the operational tolerance associated with a given variable of a given event varies in dependence upon the given event of the transaction.

20. (Original) The method of claim 19, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

21. (Original) The method of claim 20, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

22. (Original) The method of claim 20, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

23. (Original) The method of claim 20, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

24. (Currently Amended) ~~The~~ A method ~~of claim 15,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

assigning a value to each of the variables associated with each of the transactions;

aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the step of assigning a value to each of the variables associated with each of the transactions further comprises assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the step of aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate

risk level for each event of each transaction; and

wherein the step of aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises aggregating the normalized risk factor values using the formula:

$$EAR = \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where EAR= the by event aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the "i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "i"th event at time "t" and wherein the step of aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction further comprises aggregating the normalized risk factor values and the by event aggregate risk levels using the formula:

$$TAR = \sum_{i=1}^{n} \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where TAR= the transaction aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the "i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "i"th event at time "t".

25. (Currently Amended) The method of claim ~~14~~ 18, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

26. (Currently Amended) The method of claim ~~14~~ 18, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

27. (Currently Amended) The method of claim ~~14~~ 18, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

28. (Currently Amended) The method of claim ~~14~~ 18, wherein the risk is operational risk.

29-32. (Cancelled)

33. (Currently Amended) ~~The~~ A software program ~~of claim 32,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

34. (Original) The software program of claim 33, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

35. (Original) The software program of claim 34, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

36. (Original) The software program of claim 34, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

37. (Original) The software program of claim 34, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

38. (Currently Amended) ~~The~~ A software program ~~of claim 30,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the

variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

wherein the means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values using the formula:

$$AR = \sum_{j=1}^{m} w_t^j \bullet R_t^j$$

where AR= the aggregate risk level, w_t^j means the weights of the "j"th variable at time "t", and R_t^j means the normalized risk factor value of the "j"th variable at time "t".

39. (Currently Amended) The software program of claim ~~29~~ 33, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

40. (Currently Amended) The software program of claim ~~29~~ 33, wherein the transactions are ranked relative to one another in ascending order of aggregate risk level.

41. (Currently Amended) The software program of claim ~~29~~ 33, wherein the risk is operational risk.

42-45. (Cancelled)

46. (Currently Amended) ~~The~~ A software program ~~of claim 45,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

47. (Original) The software program of claim 46, wherein the operational tolerance associated with a given variable of a given event varies in dependence upon the given event of the transaction.

48. (Original) The software program of claim 47, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative

value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

49. (Original) The software program of claim 48, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

50. (Original) The software program of claim 48, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

51. (Original) The software program of claim 48, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

52. (Currently Amended) ~~The~~ A software program ~~of claim 43,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of

the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction; and

wherein the means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values using the formula:

$$EAR = \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where EAR= the by event aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the "i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "i"th event at time "t" and wherein the means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values and the by event aggregate risk levels using the formula:

$$TAR = \sum_{i=1}^{n} \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where TAR= the transaction aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the "i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "I"th event at time "t".

53. (Currently Amended) The software program of claim ~~42~~ 46, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

54. (Currently Amended) The software program of claim ~~42~~ 46, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

55. (Currently Amended) The software program of claim ~~42~~ 46, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

56. (Currently Amended) The software program of claim ~~42~~ 46, wherein the risk is operational risk.

57-60. (Cancelled)

61. (Currently Amended) ~~The~~ A system ~~of claim 60,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

memory means for storing a software program;

and processing means for processing the software program;

wherein the software program includes:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

62. (Original) The system of claim 61, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

63. (Original) The system of claim 62, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

64. (Original) The system of claim 62, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

65. (Original) The system of claim 62, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

66. (Currently Amended) ~~The~~ A system ~~of claim 58,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of variables, comprising:

memory means for storing a software program;

and processing means for processing the software program;

wherein the software program includes:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction; and

wherein the means for aggregating the normalized risk factor values assigned to each of the variables on a transaction by transaction basis to produce an aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values using the formula:

$$AR = \sum_{j=1}^{m} w_t^j \bullet R_t^j$$

where AR= the aggregate risk level, w_t^j means the weights of the "j"th variable at time "t", and R_t^j means the normalized risk factor value of the "j"th variable at time "t".

67. (Currently Amended) The system of claim ~~57~~ 61, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

68. (Currently Amended) The system of claim ~~57~~ 61, wherein the transactions are ranked

relative to one another in ascending order of aggregate risk level.

69. (Currently Amended) The system of claim ~~57~~ 61, wherein the risk is operational risk.

70-73. (Cancelled)

74. (Currently Amended) ~~The~~ A system ~~of claim 73,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

memory means for storing a software program;

and processing means for processing the software program;

wherein the software program includes:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

wherein each value is normalized to a predetermined normalization range;

wherein the predetermined normalization range is between 0 to 1, inclusive; and

wherein each variable has associated therewith an operational tolerance and the normalized risk factor value for each variable is calculated using the formula:

$$RF = \xi \bullet (e^{x/\beta} - 1)$$

where RF= the normalized risk factor value, ξ = 0.5819767069, e = 2.718182818, x = the raw value of the variable, and β = the operational tolerance of the variable.

75. (Original) The system of claim 74, wherein the operational tolerance associated with a given variable of a given event varies in dependence upon the given event of the transaction.

76. (Original) The system of claim 75, wherein each variable is selected from the group of quantitative variables and qualitative variables, wherein each variable which is a quantitative variable has associated therewith a raw value corresponding to an actual quantitative value, and wherein each variable which is a qualitative variable has associated therewith a raw value corresponding to a value selected from a predetermined qualitative value range.

77. (Original) The system of claim 76, wherein the predetermined qualitative value range is between 1 to 10, inclusive.

78. (Original) The system of claim 76, wherein each quantitative variable is selected from the group including: elapsed time, historical volatility, deviation from average volatility, mark-to-market, trader error ratio, sales error ratio, frequency of notional, outgoing confirm delay/elapsed time, time to settlement cutoff, and fail recovery time.

79. (Original) The system of claim 76, wherein each qualitative variable is selected from the group including: client sensitivity, execution method, client operating infrastructure, incoming confirm method, outgoing confirm method, internal credit rating, potential OD rates, payment instruction precedence, regulatory risk, master agreement (provisions for netting), country operating infrastructure, liquidity risk, template precedence, and product complexity.

80. (Currently Amended) ~~The~~ A system ~~of claim 71,~~ for ranking relative risk of a plurality of transactions, wherein each of the transactions has associated therewith a plurality of events and each of the events has associated therewith at least one variable, comprising:

memory means for storing a software program;

and processing means for processing the software program;

wherein the software program includes:

means for assigning a value to each of the variables associated with each of the transactions;

means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction;

means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction; and

means for ranking each of the transactions relative to one another based upon the by transaction aggregate risk level corresponding to each transaction;

wherein the means for assigning a value to each of the variables associated with each of the transactions further comprises means for assigning a normalized risk factor value to each of the variables associated with each of the transactions based upon a raw value associated with each of the variables of each of the transactions and wherein the means for aggregating the values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction; and

wherein the means for aggregating the normalized risk factor values assigned to each of the variables of each event of each transaction to produce a by event aggregate risk level for each event of each transaction further comprises means for aggregating the normalized risk factor values using the formula:

$$EAR = \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where EAR= the by event aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the

"i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "i"th event at time "t" and wherein the means for aggregating the by event aggregate risk levels of each transaction to produce a by transaction aggregate risk level for each transaction further comprises means for aggregating the normalized risk factor values and the by event aggregate risk levels using the formula:

$$TAR = \sum_{i=1}^{n} \sum_{j=1}^{m} w_t^{j;i} \bullet R_t^{j;i}$$

where TAR= the transaction aggregate risk level, $w_t^{j;i}$ means the weights of the "j"th variable on the "i"th event at time "t", and $R_t^{j;i}$ means the normalized risk factor value of the "j"th variable on the "I"th event at time "t".

81. (Currently Amended) The system of claim ~~70~~ 74, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

82. (Currently Amended) The system of claim ~~70~~ 74, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

83. (Currently Amended) The system of claim ~~70~~ 74, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

84. (Currently Amended) The system of claim ~~70~~ 74, wherein the risk is operational risk.

85. (New) The method of claim 10, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

86. (New) The method of claim 10, wherein the transactions are ranked relative to one another in ascending order of aggregate risk level.

87. (New) The method of claim 10, wherein the risk is operational risk.

88. (New) The method of claim 24, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

89. (New) The method of claim 24, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

90. (New) The method of claim 24, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

91. (New) The method of claim 24, wherein the risk is operational risk.

92. (New) The software program of claim 38, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

93. (New) The software program of claim 38, wherein the transactions are ranked relative to one another in ascending order of aggregate risk level.

94. (New) The software program of claim 38, wherein the risk is operational risk.

95. (New) The software program of claim 52, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

96. (New) The software program of claim 52, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

97. (New) The software program of claim 52, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

98. (New) The software program of claim 52, wherein the risk is operational risk.

99. (New) The system of claim 66, wherein the transactions are ranked relative to one another in descending order of aggregate risk level.

100. (New) The system of claim 66, wherein the transactions are ranked relative to one another in ascending order of aggregate risk level.

101. (New) The system of claim 66, wherein the risk is operational risk.

102. (New) The system of claim 80, wherein the transactions are ranked relative to one another in descending order of transaction aggregate risk level.

103. (New) The system of claim 80, wherein the transactions are ranked relative to one another in ascending order of transaction aggregate risk level.

104. (New) The system of claim 80, wherein each event of each transaction is selected from the group including: a) order match; b) broker verification; c) financial confirmation; d) settlement confirmation; and e) terms confirmation.

105. (New) The system of claim 80, wherein the risk is operational risk.